

PROPOSED CHANGES TO 1998 ESTIMATES

This Budget contains proposals that would increase 1998 spending by \$0.6 billion.

Additional supplemental and rescission proposals are under development and will be transmitted separately.

SUMMARY OF SUPPLEMENTAL PROGRAMS

(In millions of dollars)

	1998 Budget Authority	Outlays		
		1998	1999	2000
Supplemental Proposals:				
Department of Health and Human Services	Language Proposal			
Department of Veterans Affairs	\$550	\$550
Total, Supplemental Proposals	550	550

SUPPLEMENTAL PROPOSALS

The following information concerns supplemental appropriations requests for 1998 proposed for congressional consideration.

Department of Health and Human Services

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses" from fees collected pursuant to section 736 of the Federal Food, Drug, and Cosmetic Act, an amount equal to the amount by which the total of such fees authorized to be collected for fiscal year 1998 exceeds \$91,204,000, to remain available until expended.

Program and Financing (in millions of dollars)

Identification code 75-9911-1-1-554	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
09.01 Reimbursable program		26	
10.00 Total obligations		26	
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		26	
23.95 New obligations		-26	
New budget authority (gross), detail:			
68.00 Spending authority from offsetting collections (gross):			
Offsetting collections (cash)		26	
Change in unpaid obligations:			
73.10 New obligations		26	
73.20 Total outlays (gross)		-26	
Outlays (gross), detail:			
86.97 Outlays from new permanent authority		26	
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal			
sources		-26	
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

The FDA Modernization Act of 1998 increased the amount of fees authorized for the review of human drug applications (Prescription Drug User Fees) after enactment of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act of 1998. This supplemental request would enable FDA to collect and use these fees for authorized purposes.

Object Classification (in millions of dollars)

Identification code 75-9911-1-1-554	1997 actual	1998 est.	1999 est.
99.0 Reimbursable obligations: Subtotal, reimbursable obligations		26	
99.9 Total obligations		26	

Department of Veterans Affairs VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

(Supplemental now requested, existing legislation)

For an additional amount for "Compensation and pensions" for unanticipated costs incurred for the current fiscal year, \$550,000,000, to remain available until expended.

Program and Financing (in millions of dollars)

Identification code 36-0153-1-1-701	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
Compensation:			
Veterans:			
00.03 World War II		59	
00.04 Korean conflict		21	
00.05 Vietnam era		248	
00.06 Peacetime service		128	
00.07 Persian Gulf conflict		35	
00.91 Total veterans		491	
Survivors:			
01.04 World War I		1	
01.05 World War II		23	
01.06 Korean conflict		7	
01.07 Vietnam era		18	
01.08 Peacetime service		8	
01.09 Persian Gulf conflict		1	
01.91 Total survivors		58	
02.01 Clothing allowance		1	
02.93 Total compensation		550	
10.00 Total obligations (object class 42.0)		550	
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		550	
23.95 New obligations		-550	
New budget authority (gross), detail:			
40.00 Appropriation		550	
Change in unpaid obligations:			
73.10 New obligations		550	
73.20 Total outlays (gross)		-550	
Outlays (gross), detail:			
86.90 Outlays from new current authority		550	
Net budget authority and outlays:			
89.00 Budget authority		550	
90.00 Outlays		550	

This supplemental request would fund the additional costs associated with the 1998 Compensation cost-of-living increase (a 2.1 percent increase effective December 1, 1997) and an upward revision, based on 1997 actual data and enacted legislation, of the number of Compensation beneficiaries for 1998, as well as an expected increase in average payments to Compensation and Pension beneficiaries.

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

(Supplemental now requested, existing legislation)

Section 642 of the Treasury and General Government Appropriations Act 1998 (Public Law 105-61; 111 Stat. 1318) is repealed.

DEPARTMENTS, AGENCIES, AND CORPORATIONS—Continued

This supplemental request would repeal Section 642 of the Treasury and General Government Appropriations Act, 1998. That section provides an “open season” from July 1, 1998 through December 31, 1998 during which time Federal and Postal Service employees covered by the Civil Service Retirement System (CSRS) could switch to the Federal Employees

Retirement System (FERS). Section 642 could raise the Federal Government’s employee retirement costs by billions of dollars over the long term. It would force agencies to use limited discretionary dollars for more retirement payments, diverting funds from pay raises and other priorities. Section 642 could also slow Federal downsizing.